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SIPDIS

STATE FOR NEA, NEA/IPA, NEA/PPD

WHITE HOUSE FOR PRESS OFFICE, SIT ROOM
NSC FOR NEA STAFF

SECDEF WASHDC FOR USDP/ASD-PA/ASD-ISA
HQ USAF FOR XOXO
DA WASHDC FOR SASA
JOINT STAFF WASHDC FOR PA
CDR USCENTCOM MACDILL AFB FL FOR POLAD/USIA ADVISOR
COMSOCEUR VAIHINGEN GE FOR PAO/POLAD
COMSIXTHFLT FOR 019

JERUSALEM ALSO ICD
LONDON ALSO FOR HKANONA AND POL
PARIS ALSO FOR POL
ROME FOR MFO

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E.O. 12958: N/A
TAGS: [OPRC](#) [KMDR](#) [IS](#)

SUBJECT: ISRAEL MEDIA REACTION

SUBJECTS COVERED IN THIS REPORT:

[11. Mideast](#)

[12. U.S.-Israel Relations](#)

Key stories in the media:

Israel Radio and other media quoted Hizballah as saying that Imad Mughniyah, the senior Hizballah military leader believed to be the

mastermind behind the attack against a Jewish center in Buenos Aires in 1994, the bombings of the Israeli embassy in Buenos Aires in 1992 and of U.S. military barracks in Beirut in 1983, was killed in a mysterious blast in Damascus. Hizbullah has blamed Israel. Israel has not yet commented.

Ha'aretz quoted PM Ehud Olmert as saying in Berlin that borders will be the easiest of the core issues to solve and negotiations should begin there instead of on more difficult topics like Jerusalem. The paper added that officials in Israel, the Palestinian Authority and the U.S. now doubt that a peace agreement can be reached this year..

A "senior source in Washington" was cited as saying that efforts to adjust expectations for the negotiations had begun, but that the ultimate goal of the process has not changed. PM Olmert and Vice PM Haim Ramon have said in recent days that a detailed agreement cannot be expected by the end of the year, this despite warnings from Palestinian PM Salam Fayyad that it was time to demonstrate progress in the talks. Ha'aretz also added that FM Tzipi Livni said on Sunday in an interview with AP that an agreement can't be reached as long as Hamas militants control Gaza.

Hatem Abdel Qader, the Jerusalem affairs adviser to PA Prime Minister Salam Fayyad, was quoted in an interview with The Jerusalem Post on Tuesday as saying that Jerusalem "is not only on the [negotiating] table, it is also under the table." He added that discussion are focusing on property claims in both the eastern and western halves of the city. Ha'aretz and other media reported that senior Shas officials have criticized the escalation in rhetoric by faction head Eli Yishai in his threats to quit the coalition. These sources said that the party's spiritual leader, Rabbi Ovadia Yosef, does not want to leave the government, and that Yishai's statements are in contradiction to the position adopted by the Council of Torah

Sages three weeks ago, which stipulated that Shas will only quit the government when Jerusalem enters into the negotiations. The Shas sources also asterisk this by adding that Yosef does not believe that the negotiations will have a tangible result since Abbas is so weak, therefore he sees no need for Shas to take immediate action. On the other hand, The Jerusalem Post wrote that Yishai was surprised to hear about the frequency of FM Tzipi Livni's contacts with former Palestinian PM Ahmed Qurei.

Leading media quoted Interior Minister Meir Sheetrit (Kadima) as saying on Tuesday that his ministry plans to submit to the government a proposal this year to build a new Arab city -- probably in the Galilee. If the plan goes through, it will be the first time such a city is built in Israel, aside from towns meant to absorb the Bedouin.

Maariv reported that Israel has started a world-wide PR campaign in preparation for a military operation in Gaza.

PA Prime Minister Salam Fayyad, was quoted as saying on Tuesday in an interview with The Jerusalem Post that Israeli security needs must be met for there to be cooperation between the two sides.

Ha'aretz reported that in Jerusalem on Tuesday Malcolm Hoenlein, the head of the Conference of Presidents of Major American Jewish Organizations, expressed concern over Democratic Sen. Barack Obama's campaign for president. While carefully stressing that he is not worried specifically about the candidate, he is nervous about the atmosphere around the campaign and the talk of "change". He was also somewhat critical of Obama's stance on Iran and warned that the Presidential campaign could mark a shift in U.S. support for Israel.

Meanwhile, The Jerusalem Post did not carry any quotes about the Obama campaign, but instead focused on Iran and Hoenlein's statement that a military strike "would be a sign of a failed policy, because it would show we didn't do everything we cold have done."

Ha'aretz and Yediot reported that Dov Alfon, 46, will succeed David Landau as editor of Ha'aretz. Ha'aretz reported that Guy Rolnik, deputy publisher of the Ha'aretz group, cited Alfon's long resume, experience, talent, and originality. Alfon is expected to take up the position on April 15. Landau has been Ha'aretz's editor for the last four years.

The Jerusalem Post reported that seven students from the Leo Baeck

High School in Haifa will join American students for two weeks in Nicaragua building homes for the poor.

Yediot reported that the U.S. Basketball Hall of Fame will honor the Maccabi Tel Aviv club in an exhibition marking Israel's 60th anniversary.

Ha'aretz and The Jerusalem Post reported that FM Tzipi Livni is scheduled to visit Washington on Thursday to attend a memorial ceremony for California Congressman Tom Lantos. Ha'aretz reported that Livni will stay in town for only a few hours, but is expected to meet Secretary of State Condoleezza Rice.

Ha'aretz quoted German Chancellor Angela Merkel as saying on Tuesday during a meeting with PM Olmert Germany that she supports further UN sanctions. Israel Radio quoted Olmert as saying in Germany that Israel will not build settlements but that it will continue construction in Jerusalem.

Major media reported that on Tuesday in Ankara Defense Minister Ehud Barak criticized calls for military action in Gaza, claiming that such remarks, especially by government ministers, give the enemy detailed and damaging information. Ha'aretz also reported that Barak declined to comment on wire service reports that Turkish officials had passed on a message from Syrian President Bashar Assad. Yediot reported that on Tuesday Turkish Minister of National Defense Mehmet Vecdi Gonul acknowledged that Israel is helping his country fight Kurdish rebels in northern Iraq by leasing Israeli unmanned aerial vehicles (UAVs).

Yediot cited the concern of the GOI that Hizbulah may ignite the northern border if Israel embarks on a broad-scale military operation in Gaza. Leading media reported that the residents of communities along the northern border will strike today in protest of the Finance Ministry's plan to cut certain tax benefits that they enjoyed.

On Tuesday, leading media reported that the northern town of Kiryat Yam is suing Internet giant Google for slander because a feature of its worldwide map service shows the town was built on the ruins of an Arab village. In an interview with AP, Kiryat Yam official Naty Keyzilberman was quoted as saying that "this obviously cannot be true, because Kiryat Yam was founded in 1945."

Major media reported that Israeli author Amos Oz and former U.S. Vice President Al Gore are among the recipients of this year's Dan David Prize for influential scientific, technological, cultural or social achievements. The winners will receive the award in Israel in May. The prize, which is based at Tel Aviv University, awards three prizes of \$1 million each in categories representing the past, present and future.

Maariv reported that following an agreement with Covanta, the largest recycling company in the U.S., the Israeli firm Global Energy will set up hundreds of plants in America to produce fuel from waste, and receive 10% of the profits from the fuel.

The media reported that on Tuesday the U.S. dollar reached a 10-year low on the Israeli money market -- 3.58 shekels.

Ha'aretz presented the results of Tel Aviv University's Peace Index poll conducted among Jewish and Arab Israelis from February 4 to 6, 2008:

Following the Winograd Report, nearly two-thirds (63%) of the Jewish public still think that the decision to launch the Second Lebanon War was justified (25% say it was the wrong decision). This compares to only 58% after the interim report (April 2007).

Voters for the National Religious Party-National Union are now most likely to support the war -- 88% -- while the fewest supporters can be found among Meretz and Likud - in both cases 48%

As for the report's political implications, 53% say that Ehud Olmert cannot continue serving as prime minister (38% think he can).

Only 40% are in favor of new elections; 31% favor the current government staying; and 22% support the current coalition but under a new PM.

Interestingly, only 12% of the public has trust in the government

and 15% trusts the Knesset.

I. Mideast:

Summary:

Prominent liberal writer Amos Oz wrote on page one of the mass-circulation, pluralist Yediot Aharonot: "Israel must not fall into the trap that Hamas is laying for us in Gaza."

Middle East affairs commentator Dr. Guy Bechor, a lecturer at the Interdisciplinary Center, wrote on his Internet site Gplanet: "We have to ensure a balance of military terror to stop the fire at Israel, but we will not save Hamas from itself."

Columnist Avraham Tirosh wrote in the popular, pluralist Maariv: "The shadow of the Winograd Commission hovers above the commanders who will decide on a broad-ranging operation [in Gaza]."

Block Quotes:

II. "Don't March into Gaza"

Prominent liberal writer Amos Oz wrote on page one of the mass-circulation, pluralist Yediot Aharonot (2/13): "The rage, the frustration and the fulminating rhetoric have gone to our heads. Israel must not fall into the trap that Hamas is laying for us in Gaza. Because the number of casualties in a ground incursion will be far larger than the number of people hurt by Qassam rockets over seven years. Additionally, for five of those years, we controlled Gaza, and even then could not stop hundreds of rockets being fired on Sderot.... Evidently we have forgotten.... By having Israeli troops invade Gaza, Hamas fighters will be depicted in the eyes of the Palestinians, in the eyes of the Arab world and in the eyes of world public opinion as the Palestinian Masada -- the few against the many, residential neighborhoods against a regular army, refugee camps against bomber planes, boys against tanks, David against Goliath. As the rulers of Gaza, we will be sitting on a can of worms. The occupying force will not have a single quiet day. Nor will Sderot and its environs. Even at these moments of rage, as our hearts go out to the continuous suffering of the residents of Sderot and its environs, we must not forget that the root of the Gaza problem is that hundreds of thousands of people are rotting there in refugee camps, camps that are hotbeds of poverty and despair, ignorance, religious and national zealotry, hatred and violence. From an historical perspective, there is no answer to the Gaza problem without there being, at least on the horizon, a degree of hope for these desperate people. What can be done now? It is possible and crucial to reach a cease-fire with Hamas in Gaza. A cease-fire like this has a difficult political price, of course. But of all the prices that Israel is liable to pay for an erroneous and hasty decision, this is the least fatal and most tolerable."

II. "More Surprises, Sweet as Wormwood"

Middle East affairs commentator Dr. Guy Bechor, a lecturer at the Interdisciplinary Center, wrote on his Internet site Gplanet (2/10): "About half a year after it took over the Gaza Strip in a military coup, Hamas has brought the Palestinians in Gaza back 60 years, as through a the time tunnel, straight to 1948. They are again a public that behaves like a flock of sheep, without a name, without a face, without an identity, without a goal, either national or organizational.... With great skill, Hamas has managed to completely isolate itself, surrounded by rivals, perhaps even enemies.... If Hamas takes the Palestinians and the Palestinian issue to self-destruction, we won't get in its way. We have to ensure a balance of military terror to stop the fire at Israel, but we will not save Hamas from itself.... If, despite everything, we are planning a large-scale ground operation, it must be properly planned.... Obviously the operation's plans must be gone over intelligently, and we must ensure military brilliance, deception, diversion and cunning. The IDF has all the time in the world. We demand a brilliant operation!.... 'Talk to Hamas' (!) major figures in the government here have said, talk to Hamas. But Hamas is not

interested. Israeli logic says that we are always to blame or are responsible, and it's hard to accept the fact that we are simply not wanted. Does anyone remember President Bush's silly visit to the region? The great fears? The negotiations on the 'core issues'? Tony Blair and his regional prattle? A peace agreement with the Palestinians 'this year'? Along came the winter wind and scattered the illusions in all directions."

II. "War in Winograd's Shadow"

Columnist Avraham Tirosh wrote in the popular, pluralist Maariv (2/13): "The shadow of the Winograd Commission hovers above the commanders who will decide on a broad-ranging operation [in Gaza] and its timing.... Thus, Israel will not be stuck in the Gazan quagmire.... The number of Israeli casualties will be reasonable (as horrible as this sounds). So will the number of civilians killed in Gaza. The aims of this operation -- first and foremost the elimination of the Hamas regime, will be clearly defined.... We are already at war, but the impending one will be harsher and longer."

12. U.S.-Israel Relations:

Summary:

Eytan Haber, veteran op-ed writer and assistant to the late prime minister Yitzhak Rabin, wrote in an editorial of the mass-circulation, pluralist Yediot Aharonot: "The possibility exists -- but not for certain -- that Barak Obama will be the next U.S. president.... We are apparently facing a 'window of opportunities.' May God protect us."

Block Quotes:

"A Bunch of Troubles"

Eytan Haber, veteran op-ed writer and assistant to the late prime minister Yitzhak Rabin, wrote in an editorial of the mass-circulation, pluralist Yediot Aharonot (2/13): "The possibility exists -- but not for certain -- that Barak Obama will be the next U.S. president.... If Obama gets elected ... the basic assumption is that his rapport to Israel will be different from that of Bush and Clinton -- I wish I were wrong. No words can describe our current dependence on the United States in all aspects of our lives; thus any drop in support of Israel would be a significant disaster. We are apparently facing a 'window of opportunities.' May God protect us."

JONES